

THE DUTCH TRADE IN BENGAL, 1632-1757

Dr. MOUMITA MANNA

Burdwan University, West Bengal, India

ABSTRACT

The Dutch East India Company established their chief factory at Chinsurah near Hooghly in Bengal when they got a regular Farman from the Emperor Shahjahan. The Director of Chinsurah was the chief authority of the Company's trade in Bengal, Bihar, and Orissa. The chief articles for Bengal trade were opium and saltpeter. The demand for opium between seventeenth and eighteenth century brought the Dutch into this trade. It continued till the battle of Plassey in 1757.

KEYWORDS: 1632 –1757 was the Golden Age of Dutch Trade in Bengal

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INTRODUCTION

The topic of my article is "The Dutch Trade in Bengal, 1632-1757". I have selected this topic because the Dutch power of Holland entered into the Hooghly port in 1632 for their trading activities. They established their settlement in Hooghly. After a few days, they moved their settlement from Hooghly to the adjacent area at Chinsurah. But the settlement of Chinsurah was known as the settlement of Hooghly. The central and chief settlement of the Dutch in Bengal, Bihar, and Orissa was Chinsurah. The age of 1632-1757 was the golden age of the Dutch trade in Bengal. The Dutch trade of that period in Bengal would seem to have been larger than English and in keen competition with it. Their property and stock were valued. In this context, I have selected this topic.

CONTENT

The first Dutch fleet sailed for India in 1595 under the leadership of Houtman. Two years later "Society for Trade to Distant Countries" was founded by the Dutch. In 1598, the society occupied its first station on the Indian Peninsula. "The Dutch East India Company" was established in 1602¹. The trading activities of the Dutch were started in Bengal in the early seventeenth century². On 24th March 1602, "United East India Company" was established by the States-General of Holland. The Company was also known as "Vereenigde Oost-Indische Compagnie" in the Dutch language. In short, it was called "VOC" which was a unique organization. Soon after that VOC realized to organize a powerful centralized administration for the East Indies. For this, they established a primary station at first in Bantam and then in Batavia, where they accumulated all the resources³. In 1618, the Mughal Emperor Jahangir granted the first *Farman* for the Dutch East India Company, addressed as the regents of Surat, in favor of the senior merchant and pro-interim chief, Peter Gillissen⁴.

The Company was attracted by the high possibility of the trade-in Bengal. But in consequence of the political uncertainty following Shahjahan's rebellion, the trade of the Dutch in Bengal was reduced. In 1633, the Governor of Bengal, Azam Khan permitted the Company for the establishment of an entrepot at Chinsurah and trading privileges in Bengal. The next Governor Islam Khan also permitted as same as the previous. On August 1,

1635, the Mughal Emperor Shahjahan permitted the Company for trading activities in Bengal. On September 1636, the Governor of Bengal again granted the Dutch for export of the various trading items⁵.

It is most probable that the Dutch had their chief factory at Hooghly sometime before 1650 after getting the regular *Farman* from Emperor Shahjahan. It is laid down " that, upon complaints being made by the Dutch, the Governor of Bengal was commanded that no one shall exact more from them than was authorized by ancient custom and shall not introduce any new laws or customs on that head"⁶. Then the Governor of Bengal, Shah Suja granted at least four more privileges to the Dutch. At that time, the Company thought about new dimensions for Bengal trade. So the Dutch constituted the settlement of Chinsurah as the headquarter of Bengal⁷. The Director of Chinsurah was the chief authority of the Company's trade in Bengal, Bihar, and Orissa⁸.

In 1662, the Mughal Emperor Aurangzeb granted a *Farman* to the Dutch mentioning that the Dutch arriving with their ships before Hooghly, Pipley and Balasore, shall have the liberty to anchor in such places as they may choose. After payment of the fixed duty of 2½ % upon their goods, they may convey them to such places as they please, sell them to whatever merchant they choose, purchase again goods from the same. The piece goods, saltpeter, sugar, silk, wax and other articles for which they trade in places of Bengal, Bihar, and Orissa and which they convey for exportation to the port of Hooghly, Pipley and Balasore, shall not be molested⁹.

At that time the Dutch trade in the Bay of Bengal would seem to have been larger than the English and in keen competition with it. The property and stock of the Dutch were valued and their trade certainly covered a wider area of merchandise than the English. Their trade was conducted on a larger scale and in better settlements. Their method of trade seems to have been much the same as that of the English. They imported gold, copper, tin, bell metal and saltpeter from Japan, elephants tusk ivory from the Malay Peninsula; pepper, cloves, mace, nutmegs and conch shells from the South Seas. But brimstone, quicksilver, vermilion, and some cloths seem to have been sent directly from Europe. Cotton cloths, both raw and woven silk, sailcloth, hemp, rice, opium, turmeric, sugar, and pepper, etc were exported to Holland¹⁰.

The Dutch brought up ships of 600 and 700 tones to ride before their factory at Chinsurah¹¹. In 1709, the Mughal Emperor Shah Alam granted a *Farman* and ordered not to exact double duty but to take only 2½ % duty¹². The next *Farman* granted by Jahandar Shah ordered that, upon the purchase of saltpeter, opium, piece goods, sugar, and other goods, the appointed duty of 2½ % shall be paid at Hooghly¹³.

The chief articles for Bengal trade were silk, muslins, calicos cotton, opium, saltpeter, and gum lac. Wheat, rice, butter were reckoned casual branches of trade. Silk was prepared in Cassimbazar. The finest muslins and cotton were made in Dhaka, where likewise the finest 'kapok' was produced.

Opium was a very important product for both the inland trade and sea route to the coast of Coromandel and Batavia. This article was not produced in Bengal but Bihar. Opium was exported and came down the Ganges through Bengal. Annually more than 1,00,000 pounds weight of that product were shipped by the vessels of Dutch Company. The vessels were sent for Java, Malacca and other places in the eastern part of Asia¹⁴. It appears that the chief profit of the Company was derived, not from its exports to Europe, but from the trade of opium to Java. 800 chests of the drug were annually obtained at the Patna Agency and shipped to Batavia. From there it was distributed through the Archipelago and possibly sent on to China. Each chest contained 125 lbs. Including freight, insurance and other charges the cost of the Company was between Rs. 700 and 800. The profit on the investment of the year was about Rs. 4,00,000¹⁵.

From the last decade of the seventeenth century, the demand for opium was increasing which encouraged the Dutch to the trade. The profit from the opium trade was then invested for the cost of all the Bengal settlements of the Dutch in the eighteenth century. So, considering the growing importance of the demand for opium, the Company had established 'Opium Society'¹⁶.

The factory of the Company at Patna was established for the purchase of saltpeter and opium¹⁷. The Company also established a factory at Chhapra near Patna for the production of saltpeter. Every year a huge quantity of saltpeter was exported to different Countries from Bengal¹⁸.

The factories of Dhaka and Chittagong belonged to the Council of Chinsurah¹⁹. The factory of the Company at Baranagar was known as the 'Hogg factory' where three thousand pigs were killed and cured annually²⁰. The coarsest sorts of blue handkerchiefs were made there²¹. Besides these factories, the Dutch had a silk factory at Kassimbazar, a garden just south of Chandernagore on the Hooghly river, a station at Fulta for seagoing ships²². The articles which were disposed of to advantage in Bengal were all kinds of spices, pepper, Japan copper, sandalwood, tin, lead, pewter, and other European commodities. Besides these articles, gum lac was collected in the most eastern parts of Bengal and the kingdom of Pegu for Holland²³.

In Bengal, the company demanded the principal position in the latter half of the eighteenth century to the Royal Government²⁴. For easygoing activities of trade, the Dutch wanted to patronize their employers²⁵. Those employers were very efficient and diligent. They discussed, deliberated on and tested every manufactured item, the methods to improve and increase yield, quality, and quantity, forms of transport, method of packing, etc. Every angle of business was considered, and hardly any aspect of any transaction was overlooked. The profitability of their trade was ever-present in their minds²⁶.

But in the latter half of the eighteenth century, the frauds in the officials and merchants were increasing. Private trading was then an open secret matter in the Company. The scandal of private trading was most rampant in Bengal where local officials and merchants connived at and cooperated with Dutch merchants in defrauding the Company. Opium was a favorite item of this contraband trade in Bengal. It could be purchased for Rs 70 – 75 per box of 57 kg and sold for Rs. 1,100 to any merchant, including the English. The exposure of all these scandals had no lasting effect, and the contraband trade continued to flourish throughout the life of the Company at all levels in all its forts, factories and settlements. In spite of periodical checks, audits, inspections and even of commissions, brokerages up to 5 % being allowed to the senior officials, corruption and dishonesty remained²⁷.

CONCLUSIONS

So, we can say that the Company tried to take part in the trade in Bengal and possessed a remarkable outcome from the second half of the seventeenth century. At that time the Dutch acquired several permissions from the Royal Government for their trade-in Bengal. Their trade was flourished in various areas of Bengal, Bihar, and Orissa during the second half of the seventeenth and eighteenth centuries. The Dutch trade of the region would seem to have been greater than other European powers till the battle of Plassey.

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